

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST LAUREL WATER)	
DISTRICT OF LAUREL COUNTY, KENTUCKY,)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY, INCREASED RATES, AND TO)	92-538
CONSTRUCT AND FINANCE PURSUANT TO THE)	
PROVISIONS OF KRS 278.023 OF THE)	
KENTUCKY REVISED STATUTES)	

O R D E R

On December 7, 1992, East Laurel Water District ("East Laurel") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,555,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will provide service to 300 additional customers. Project funding includes a \$537,000 loan from the Farmers Home Administration ("FmHA"), a \$928,000 grant from FmHA, and \$90,000 from applicants for service in the proposed project area. The loan will be for a 40-year period.

East Laurel's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and FmHA and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on December 7, 1992, KRS

278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. East Laurel is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. East Laurel's proposed plan of financing with FmHA is accepted.

3. East Laurel shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.


5. East Laurel shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

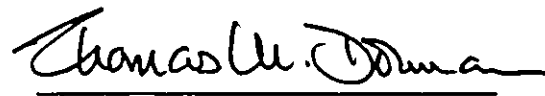
6. East Laurel shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), East Laurel shall take immediate action to bring the system into compliance with Commission regulations.

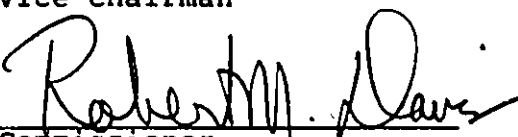
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 17th day of December, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-538 DATED DECEMBER 17, 1992.

The following rates and charges are prescribed for the customers in the area served by East Laurel Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Usage Blocks</u>	<u>Monthly Rates</u>
<u>5/8 Inch x 3/4 Inch Meters</u>	
First 2,000 gallons	\$10.39 Minimum Bill
Next 2,000 gallons	3.90 per 1,000 gallons
Next 2,000 gallons	3.30 per 1,000 gallons
Next 4,000 gallons	2.64 per 1,000 gallons
Over 10,000 gallons	2.31 per 1,000 gallons
<u>1 Inch Meters</u>	
First 6,000 gallons	\$24.79 Minimum Bill
Next 4,000 gallons	2.64 per 1,000 gallons
Over 10,000 gallons	2.31 per 1,000 gallons
<u>2 Inch Meters</u>	
First 20,000 gallons	\$58.45 Minimum Bill
Over 20,000 gallons	2.31 per 1,000 gallons
<u>3 Inch Meters</u>	
First 30,000 gallons	\$81.55 Minimum Bill
Over 30,000 gallons	2.31 per 1,000 gallons
<u>4 Inch Meters</u>	
First 50,000 gallons	\$127.75 Minimum Bill
Over 50,000 gallons	2.31 per 1,000 gallons
<u>6 Inch Meters</u>	
First 100,000 gallons	\$243.25 Minimum Bill
Over 100,000 gallons	2.31 per 1,000 gallons